

FINC 4330: Commercial Bank Lending

SAM HOUSTON STATE UNIVERSITY

Instructor:	Steve Nenninger, PhD
Meeting Schedule	Tuesday & Thursday, 8:00 – 9:20, SHB 106
Semester	Fall 2017
Office Number	SHB 210H
Email	san009@shsu.edu
Office Phone	294-1898
Office Hours	Tues/Thurs 11:00 – 12:30 and 2:00 – 3:00 or by appointment
Text:	None required

Catalog Description and Credit Hours of Course:

A study of theoretical issues and various applications relevant to the commercial lending activities of a bank using finance principles. Readings and case studies are utilized to provide a contemporary perspective.

Course Objectives:

Gaining factual knowledge.

Learning fundamental principles, generalizations, and theories.

Learning to *apply* course material to improve thinking, problem solving, and decisions.

Developing specific skills, competencies, and points of view needed by professionals in the fields most closely related to the course.

Acquiring skills in working with others as a member of a team.

Developing skills in expressing oneself orally and in writing.

Basis for Student Evaluation:

Exams: Three exams will be a combination of multiple choice, problems, short answer questions, and credit analysis. See schedule for tentative exam dates. Make up exams are not given.

Homework: Homework will be assigned on a regular basis, some of which will be discussed in class and some will be turned in to the instructor. Homework solutions will be posted on blackboard, so **late homework is not accepted**. Assignments are to be turned in in person at the beginning of class on the due date or through Blackboard (**not through email**).

Cases: To enhance the application of course concepts, cases will be assigned and discussed in class. Students will be assigned to a small group which will analyze a credit request and present a loan package to the class. Further details will be provided later in the course.

Grade Determination: Final course grades will be determined simply by the percentage of total points earned, as illustrated below:

Grade	Percentage
A	90%
B	80%
C	70%
D	60%
F	Below 60%

Attendance Policy: *Attendance is necessary and expected.* Attendance will be taken at all class meetings. Absence from class will result in no credit for any assignments due that day. *A student missing 5 or more class sessions will have their final grade dropped by 1 letter grade, and those missing 7 or more sessions will receive an F. A tardy counts as ½ absence. Any student arriving after roll has been taken is responsible for informing the instructor after class of their attendance.* Experience has shown that those students who attend all class sessions generally do much better in the class. **Any exceptions must be made before the class period missed.**

Academic Integrity: Any act of academic dishonesty will result in losing credit for the associated assignment and will also be referred to the necessary departments on campus.

Student absences on religious holy days policy: Section 51.911(b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence. University policy 861001 provides the procedures to be followed by the student and instructor. A student desiring to be absent from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor involved a written statement concerning the religious holy day(s). This request must be made in the first fifteen days of the semester or the first seven days of a summer session in which the absence(s) will occur. The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignments and/or examinations are to be completed.

Disabled student policy: It is the policy of Sam Houston State University that no otherwise qualified disabled individual shall, solely by reason of his/her handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any academic or Student Life program or activity. Disabled students may request help with academically related problems stemming from individual disabilities from their instructors, school/department chair, or by contacting the Chair of the Committee for Continuing Assistance for Disabled Students and Director of the Counseling Center, Lee Drain Annex, or by calling (936) 294-1720.

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Tentative Schedule

Updated 8/15/17

Date	Chapter/Topic
Aug 24	Background 1: The Commercial Lending Environment
29	
31	Background 2: Income Statement Analysis
Sep 5	Background 3: Balance Sheet Analysis
7	Background 4: Bank Financial Statements
12	Chapter 5: Cash Flow
14	Complete Cash Flow Chapter
19	Meet in Lab Discuss Assignments
21	Meet in Lab Discuss Assignments, Cash Flow Assignment 1 Due
26	Pro Forma Due, Scenario Analysis Due; brief exam review
28	Exam 1: Background 1 to 4 and Chapter 5
Oct 3	Chapter 1: Historical Statement Analysis
5	
10	Chapter 2: Working Capital
12	Chapter 3: Leverage
17	Chapter 4: The Elements of Analysis
19	Chapter 6: Loan Structuring
24	Chapter 7: Loan Covenants and Monitoring
26	Chapter 8: When Things Go Wrong
31	Exam 2: Chapters 1,2,3,4,6,7,8
Nov 2	Exam 2 Review and Discuss Case Expectations Nenninger Presents Jackson Masonry Part 1
7	Case Work Day - No Specific Class Meeting
9	Case 1: Jackson Masonry Part 2 Case 2: Carter's Grill Part 1
14	Case 3 Smithfield Motors Part 1 Case 4 Sell My Stuff
16	Case 5 Crooked Creek Golf
21	<i>Case Work Day - No Specific Class Meeting</i>
28	Case 7 Jackson Masonry Part 3 Case 8 Carters Grill Part 2
30	Case 9 Smithfield Motors Part 2 Final Review
Exam 3 (Case Exam): Tuesday, Dec 5 at 8:00 AM (subject to Change)	